

**Statement on Illinois Pension Reform from
Navistar Chairman, President and CEO Dan Ustian**

Lisle, Ill., May 15, 2012 – Navistar has stated its support for Governor Pat Quinn’s call to action to reform Illinois’ pension laws and review Medicaid policy during the current legislative session.

Navistar Chairman, President and CEO Dan Ustian commented:

“Illinois is a great state with many attributes that are important to private-sector employers. However, it continues to face some very tough fiscal challenges. Costs for pensions for public employees in Illinois, and for the state’s Medicaid system, are continuing to skyrocket. Programs may be good but still unaffordable in their present form. They need to be looked at for their long-term viability and the impact they have on the state’s liquidity and ability to pay its bills.

“The budget deficit is the single most important issue facing the state. Illinois needs to address its state pension and Medicaid issues quickly. If the rating agencies downgrade the state’s debt, it could cost the taxpayers millions of dollars, and would risk making Illinois less attractive to businesses.

“We encourage our state’s elected officials to come together and work with the Governor to fix this problem in the next few weeks.”

About Navistar

Navistar International Corporation (NYSE: NAV) is a holding company whose subsidiaries and affiliates produce International® brand commercial and military trucks, MaxxForce® brand diesel engines, IC Bus™ brand school and commercial buses, Monaco® RV brands of recreational vehicles, and Workhorse® brand chassis for motor homes and step vans. The company also provides truck and diesel engine service parts. Another affiliate offers financing services. Additional information is available at www.Navistar.com/newsroom.

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